

THE METROHEALTH SYSTEM
BOARD OF TRUSTEES
LEGAL & GOVERNMENT RELATIONS COMMITTEE

September 12, 2018

Present: Committee Members: Vanessa Whiting

Other Trustees: Maureen Dee

Staff: Tracy Carter, Laura McBride, Michael Phillips, Craig Richmond

The meeting was called to order at 12:40 p.m. by Ms. Whiting. The minutes are written in a format conforming to the printed meeting agenda for the convenience of correlation, recognizing that some of the items were discussed out of sequence.

I. The minutes of the June 13, 2018, meeting was approved.

II. Consent Items (Acted upon following the discussion described below.)

1. Recommendation to the President and Chief Executive Officer of The MetroHealth System for the Continued Engagement of Strategic Health Care as Consultant for The MetroHealth System's Federal Government Relations Activities

Mr. Phillips reviewed with the Board the requested approval of the continued on-going engagement of Strategic Health Care as consultants for the System's federal government relations activities, for additional total costs not to exceed \$60,000, for the period between September 2018 and December 2018, for a total amount of fees not to exceed \$220,000 plus reasonable out-of-pocket expenses, for the period between September 2016 and December 2018, to be paid out of general operating funds. Ms. Whiting requested approval of the continued engagement of Strategic Health Care.

Upon motion made by and seconded, the Committee resolved to recommend the continued engagement of Strategic Health Care.

2. Recommendation to the President and Chief Executive Officer of The MetroHealth System for the Approval of the Board of Trustees Conflicts of Interest Policy

Mr. Phillips reviewed with the Board the regularizing of all the conflict of interest policies and indicated that it contains a different format, noting the only addition to the new conflict of interest form is the responsibility for any issues raised as a result of the conflict of interest with the Board to be handled by Cheryl Forino Wahl, SVP, Chief Ethics and Compliance Officer and any issues of failed disclosure will be brought to the attention of the Chief Legal Officer who will determine if an investigation would be necessary. Ms. Whiting requested approval of the reaffirmation of the Conflicts of Interest Policy for 2018-2019.

Upon motion made and seconded, the Committee resolved to recommend reaffirmation of the Conflicts of Interest Policy for 2018-2019.

III. Discussion Items

- Government Relations Update

Ms. Carter began her report with an update of three matters: (1) the 340B Program at the federal level, (2) the Ohio Medicaid Waiver work requirement proposal, and (3) HB 111. Effective January 2018 the Medicare program experienced a 30% rate cut in revenue for drug purchases that impacted approximately \$6.5 million to MetroHealth. As a result, MetroHealth has been diligently working with national associations to have these cuts restored or rescinded to benefit the patients' needs. The American Hospital Association (AHA), the largest national association in DC, filed a lawsuit last year against Centers for Medicare and Medicaid Services (CMS) that did not progress because the judge overseeing the case felt harm to patients was not proved; AHA in May 2018 refiled the lawsuit with a goal of prevailing in 2019. The Ohio Medicaid Waiver work requirement proposal did move forward, public comments from MetroHealth were provided to Ohio government, and Ms. Carter or her team still have not heard from CMS if Ohio's proposal was accepted or declined. Lastly, with respect to HB 111, Ms. Carter reported continuing to respond and educating the community and legislators by answering questions since the System was given the ability to provide comprehensive services outside of Cuyahoga County, noting the most common answers to questions being that Health & Human Services levy dollars will continue to support only Cuyahoga County residents, taxpayers will not be requested to support projects outside of Cuyahoga County, and services throughout Cuyahoga County will not be eliminated as MetroHealth expands services into other areas.

- Risk Management Report

Ms. McBride began her report by indicating that she had no material update with respect to claims. She indicated that reserves continue to be low and no new material litigation filed. The next large case concerning myocardial sepsis infection does not begin until after this Committee meets on December 12, 2018. MetroHealth filed and joined the opioid MDL lawsuit and that process is set to begin with many requests for information being received. The Dental trial has come to a close and sentencing is scheduled for the end of November. The Owners Controlled Insurance Program (OCIP) is moving forward, with the intent to bring it before the Facilities and Space Committee meeting on October 24, 2018, and the full Board of Trustees meeting on October 26, 2018. The annual insurance renewals will be addressed in November.

IV. Action Items - None

There being no further business, the meeting adjourned at 1:10 p.m.

Respectfully submitted,

Michael Phillips
Senior Vice President and Chief Legal Officer